



Oklahoma Office of Workforce Development
900 N. Portland Ave.
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OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE #18-2017

TO: Workforce Development Board Chairs
Workforce Development Board Staff
Workforce Development Fiscal Agents

FROM: Erin E. Risley-Baird, Executive Director

DATE: October 16, 2017

SUBJECT: Negotiation Performance Goals for the Workforce Innovation and Opportunity Act (WIOA) Title I Programs and the Wagner-Peyser Employment Services as amended by Title III

PURPOSE: The Oklahoma Office of Workforce Development (OOWD) as the Governor's administrative entity for the Workforce Innovation and Opportunity Act (WIOA) provides this issuance as guidance to provide Local Workforce Boards the State of Oklahoma's Performance Negotiation process for the WIOA Title I Programs and the Wagner-Peyser Employment Services as amended by Title III.

REFERENCES:

- The Workforce Innovation and Opportunity Act (WIOA) of 2014 (Public Law (Pub. L. 113-128)) Title I and III
- Federal Register/Vol. 81. No.161, Parts 677, 679 and 683
- U.S. Department of Labor/Employment and Training Administration Training and Employment Guidance Letter (TEGL) No. 26-15

MESSAGE: WIOA significantly advances the strategic alignment of workforce development programs, with particular emphasis on aligning the "core programs" administered by the United States Departments of Labor and Education. Such alignment requires the development of one strategic plan including the alignment of performance accountability for WIOA core programs. Oklahoma in consultation with the core partners will utilize an objective statistical adjustment model as prescribed in WIOA sec. 116(b)(3)(viii), and will agree upon the negotiated performance levels at the State and Local level.

Under WIOA, there are six primary indicators of performance:

- The percentage of participants who are in unsubsidized employment during the second

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quarter after exit from the program (for title I Youth, the indicator is participants in education, or training activities or employment in the 2nd quarter after exit);

- The percentage of participants who are in unsubsidized employment during the fourth quarter after exit from the program (for title I Youth, the indicator is participants in education, or training activities or employment in the 4th quarter after exit);
- Median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program;
- The percentage of those participants enrolled in an education or training program who attained a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation in or within 1 year after exit from the program;
- The percentage of participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and
- Effectiveness in serving employers.

Statistical Adjustment Model

WIOA sec. 116(b)(3)(viii), established that an objective statistical adjustment model developed and distributed by the Departments of Labor and Education will be used to reach an agreement on the State and Local negotiated levels of performance. The statistical model will also be used to revise the negotiated levels of performance at the end of a program year. The objective statistical adjustment model accounts for actual economic conditions and characteristics of participants, including all factors required by WIOA.

State Performance Levels

The State's negotiated levels of performance for the first two program years under WIOA, for each of the core programs under WIOA sec. 116(b)(3)(A)(iv)(I), are published in the Oklahoma Unified State Plan.

Local Performance Levels

The Governor, Local Workforce Development Board (LWDB), and the Chief Elected Official must negotiate and reach an agreement on the local levels of performance based on the State negotiated levels of performance using the objective statistical adjustment model provided by the Department of Labor no later than September 30th.

The objective statistical adjustment model will be applied at the end of the program year to adjust negotiated local levels of performance in order to reflect the actual economic conditions experienced in the local area and the characteristics of participants served consistent with WIOA sec. 116.

Local Negotiation Process

1. Each Local Workforce Development Board will submit expected levels of performance utilizing the objective statistical adjustment model provided by the Department of Labor.
2. Each Local Workforce Development Board will submit a written narrative that includes factors that are not accounted for in the existing statistical adjustment model.
3. Each Local Workforce Development Board will participate in a negotiation call with the Oklahoma Office of Workforce Development to finalize the local performance levels.

In the negotiation process, the State will consider past performance levels, its own review of the economic and demographic profile of the local area, the extent to which the levels promote continuous improvement, a discussion of circumstances not accounted for in the statistical adjustment model, take into account how the levels compare with other local areas, information/analysis submitted by the local area, and the extent to which the levels will assist the State in meeting the State expected levels of performance.

Renegotiation of Local Levels

If circumstances arise that result in a significant change in the factors used to develop the original performance levels, a renegotiation may be requested. The significant changes must be changes in the economic conditions, changes in the service mix or changes in the client characteristics. The renegotiation process must include the same type of data used in the initial negotiation. Local Workforce Development Boards must notify the State of intent to renegotiate in writing and provide substantiating data with the notification. Local Workforce Development Boards that choose to renegotiate after the end of the second quarter of the program year will be eliminated from eligibility to receive an incentive award for that program year.

Assessing Performance against Adjusted Levels

There are three measureable failure thresholds for performance for WIOA core programs:

- A threshold for performance failure is 90 percent of the adjusted level of performance for the overall State program score. *Determined by an average of each indicator for each program.*
- A threshold for performance failure is 90 percent of the adjusted level of performance for the overall State indicator score. *Determined by an average across the core programs for each indicator.*

- A threshold for performance failure is 50 percent of the adjusted level of performance on any individual indicator of any individual program. *Determined by each individual measure.*

Each score will be determined based on the actual results achieved relative to the adjusted levels of performance.

Determination of financial sanctions will occur only after two years of complete data are available for inclusion in the statistical adjustment model, and after the model has been utilized to set targets for two full program years.

Additional information on performance assessment and the sanctions process will be issued in forthcoming guidance.

Indicator/Program	Title I Adults	Title I Dislocated Workers	Title I Youth	Title III Wagner - Peyser	Overall Indicator Score
Employment 2nd Quarter After Exit					
Employment 4th Quarter After Exit					
Median Earnings 2nd Quarter After Exit					
Credential Attainment Rate				----	
Measurable Skill Gains				----	
Effectiveness in Serving Employers					
Overall Program Score					----

Definitions

- Expected levels of performance: are the levels of performance on each primary indicator of performance on each core program submitted.
- Negotiated levels of performance: are the levels of performance for each primary indicator of each core program, agreed to by the Local Workforce Development Board and the State.
- Actual results: are the results reported for each primary indicator for each core program. Actual results will be compared to the adjusted levels of performance at the close of the program year to determine if an area failed to meet the adjusted levels of performance.
- Adjusted levels of performance: are the negotiated levels of performance, after being revised at the end of the program year using the statistical adjustment model. The statistical adjustment model is run to account for actual economic conditions and characteristics of participants served.

EQUAL OPPORTUNITY AND NONDISCRIMINATION STATEMENT: All Recipients, and Sub recipients/Sub grantees must comply with WIOA's Equal Opportunity and Nondiscrimination

provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

ACTION REQUIRED: This Oklahoma Workforce Development Issuance (OWDI) is to become a part of your permanent records and made available to appropriate staff and sub-recipients.

INQUIRIES: If you have any questions about this issuance, please contact policy and program staff in the Oklahoma Office of Workforce Development. Contact information can be found at <http://www.oklahomaworks.gov/about/>.